

**EXHIBIT E**

**Section 3060.11. — Disposition of Funds.** (13 L.P.R.A. § 31751)

(a) The revenues derived from taxes and license fees collected by virtue of this Subtitle shall be deposited in the General Fund of the Treasury of Puerto Rico except as provided below and in Section 3060.11A:

(1) The sum of the tax collected on gasoline and four cents (4¢) of the gas oil or diesel oil tax established by Section 3020.06 of this Subtitle, and the total amount per fiscal year of the excise tax collected for crude oil, partially finished and finished oil by-products, and any other hydrocarbon mixtures established in Section 3020.07 of this Subtitle, shall be covered into a special deposit in favor of the Highways and Transportation Authority for its corporate purposes.

(A) The Secretary shall transfer every month, or as agreed on with the Highways and Transportation Authority, the amounts covered into said special deposit, deducting from these the amounts reimbursed according to the provisions of Section 3030.19 and 3030.20 of this Subtitle.

(B) The Secretary shall pay on a monthly basis the total revenues derived from the excise tax on crude oil, partially finished and finished oil by-products, and any other hydrocarbons blends fixed in Section 3020.07 of this Subtitle.

(C) The Highways and Transportation Authority is hereby authorized to commit or pledge the proceeds of the collection thus received on gasoline and the tax of four cents (4¢) on gas oil or diesel oil fixed in Section 3020.06 and the amount appropriated by virtue of this Subtitle of the excise tax on crude oil, partially finished and finished oil by-products, and any other mixture of hydrocarbons fixed in Section 3020.07, for the payment of the principal and the interest on bonds or other obligations or for any other legal purpose of the Authority. Said commitment or pledge shall be subject to the provisions of Section 8 of Item VI of the Constitution of the Commonwealth of Puerto Rico. The proceeds of said collection shall be solely used for the payment of interest and amortization of the public debt, as provided in said Section 8 of Item VI of the Constitution, until the other resources available to which reference is made in said section are insufficient for such purposes. Otherwise, the proceeds of said collection, in the amount that may be necessary, shall be used solely for the payment of the principal and interest on bonds and other obligations of the Authority and to comply with any stipulations agreed to by the latter with the holders of said bonds or other obligations.

(D) The Government of Puerto Rico hereby agrees and is committed to any person, firm, or corporation, or any agency of the United States of America, or of any state or of the Government of Puerto Rico, that subscribes or acquires bonds of the Highways and Transportation Authority of Puerto Rico for the payment of which the proceeds of the tax on gasoline, gas oil, or diesel oil and the amount appropriated of the excise tax on crude oil, partially finished and finished oil by-products, and any other mixture of hydrocarbons fixed in Section 3020.07 are thus

pledged, as authorized by this section, to not reduce the tax on gasoline, gas oil, or diesel oil fixed in Section 3020.06, to an amount of less than sixteen cents (16¢) per gallon of gasoline or of four cents (4¢) per gallon of gas oil or diesel oil, respectively, and to not reduce the rates fixed in Section 3020.07 in effect by the date of approval of this Code. It also agrees and is committed to not eliminate or reduce the tax to an amount less than sixteen cents (16¢) per gallon of gasoline or of four cents (4¢) per gallon of gas oil or diesel oil fixed in Section 3020.06 of this Subtitle, nor reduce or eliminate the rates of the excise tax on crude oil, partially finished and finished oil by-products, and any other mixture of hydrocarbon fixed in Section 3020.07. It also agrees and is committed to ensure that said amounts shall be covered into a special deposit in the name and for the benefit of the Highways and Transportation Authority of Puerto Rico, as provided in this Section, until said bonds issued at any time, including their interest, have been paid in full.

(E) In event the amount of the proceeds from the tax on gasoline, gas oil, or diesel oil established in Section 3020.06 of this Act or that amount of the excise tax on crude oil, partially finished and finished oil by-products, and any other hydrocarbon blend established in Section 3020.07 of this Act, allocated or to be allocated in the future to the Highway and Transportation Authority may at any time be insufficient to pay the principal of and the interest on the bonds or other obligations over money taken on a loan or issued by the Highway and Transportation Authority to defray the cost of traffic facilities and for the payment of which the proceeds from the tax imposed on gasoline, gas oil, or diesel oil established in Section 3020.06 of this Act or the amount of the excise tax assessed on crude oil, partially finished and finished oil by-products, and any other hydrocarbon blend established in Section 3020.07 of this Act, has been pledged and the reserve funds of the Highway and Transportation Authority for the payment of debt service are applied to make up the deficiency in the amount needed to make such payments, the amounts of said reserve fund used to make up said deficiency shall be reimbursed to the Highway and Transportation Authority from the first proceeds received on the next Fiscal Year or subsequent fiscal years by the Government of Puerto Rico from: (1) any other taxes in effect on any other fuel or propellant used, among other purposes, to propel road vehicles; provided that, to prevent misunderstandings, the excise tax imposed by Section 3020.07A of this Act shall not be considered a tax on fuels or propellant used to propel road vehicles; and (2) any surplus of the tax on gasoline, gas oil, or diesel oil established in Section 3020.06 of this Act that are in effect. The proceeds from such other taxes and the remaining portion of the tax on gasoline and gas oil or diesel oil established in Section 3020.06 of this Act that are to be used as provided in this Section to reimburse the reserve funds for debt service requirements, shall not be covered into the General Fund of the Government of Puerto Rico when collected, but rather into the aforementioned special deposit for the benefit of the Highway and Transportation Authority of Puerto Rico and subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico, to be used to reimburse said reserve fund for the payment of the debt service requirements.

(F) In the event the Commonwealth of Puerto Rico uses any portion of the revenues derived from the tax on gasoline, of the four (4) cents of the tax on gas oil or diesel oil imposed in Section 3020.06, or the excise tax on crude oil, partially finished and finished oil by-products, and any other hydrocarbon blend fixed in Section 3020.07 for the payment of interest on and the amortization of the public debt as provided in Section 8 of Article VI of the Constitution, the amount used by the Commonwealth of Puerto Rico for the payment of interest on and the amortization of the public debt shall be reimbursed to the Highway and Transportation Authority from the revenues collected by the Commonwealth of Puerto Rico in the following fiscal year or, if such reimbursement is not possible in the following Fiscal Year, in subsequent Fiscal Years, except those revenues that have been pledged to meet any obligation. The proceeds from such taxes that are to be used as provided in this Section to reimburse to the Highway and Transportation Authority any amount used by the Commonwealth of Puerto Rico for the payment of interest on and the amortization of the public debt, shall not be covered into the General Fund of the Government of the Government of Puerto Rico when collected, but rather transferred to the Highway and Transportation Authority of Puerto Rico and subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico, shall be used to reimburse said amounts to the Highway and Transportation Authority.

(G) Notwithstanding any other legal provision, including Act No. 24-2014, but subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico, on or after the Effective Date of the Lien (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), the special deposit established in subsection (a)(1) of this Section 3060.11 and the revenues derived from the Excise Tax on Crude Oil allocated to the Authority (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act) shall belong to the Highways and Transportation Authority for the benefit of the holders of the bonds issued under the Resolution of 1968 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), and the Resolution of 1998 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), as applicable, and the Revenues derived from the Excise Tax on Crude Oil allocated to the Authority (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), shall be deposited, by the Department of the Treasury of Puerto Rico, its authorized agent, or any other government instrumentality of the Commonwealth of Puerto Rico collecting the same, (i) with the fiscal agent under the Resolution of 1968 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), and the Resolution of 1998 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), as applicable, or (ii) after the bonds and obligations of the Highways and Transportation Authority issued under the Resolution of 1968 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), and the Resolution of 1998 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), as applicable, are fully repaid, with the Government Development Bank of Puerto Rico for the benefit of the Highways and Transportation Authority.

Insofar as, on or after the Effective Date of the Lien (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), the Government Development Bank of Puerto Rico or any other government instrumentality of the Commonwealth of Puerto Rico becomes the holder any of the revenues derived from the Excise Tax on Crude Oil allocated to the Authority (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), or other amounts pledged to secure the bonds or other obligations of the Highways and Transportation Authority under the Resolution of 1968 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), or the Resolution of 1998 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), as applicable, before such bonds or obligations are paid in full, the Government Development Bank of Puerto Rico or such other government instrumentality shall hold such revenues derived from the Excise Tax on Crude Oil allocated to the Authority (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), in trust for the benefit of the Highways and Transportation Authority free from any lien in favor of the Government Development Bank of Puerto Rico or compensation fee, and shall transfer such amounts to the fiscal agent or representative of the holders of the bonds and obligations of the Highways and Transportation Authority issued under the Resolution of 1968 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), insofar as such amounts secure obligations under such Resolution and the Resolution of 1998 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), insofar as such amounts secure obligations under said Resolution, to be used exclusively for the repayment of obligations under the Resolution of 1968 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), and the Resolution of 1998 (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act), as applicable.

The Secretary is hereby authorized to establish a collections mechanism whereby the revenues derived from the Excise Tax on Crude Oil allocated to the Authority (as such term is defined in Section 12A of Act No. 74 of June 23, 1965, as amended by this Act) to be deposited as part of the aforementioned special deposit shall be paid directly by the taxpayer to the financial institution acting as fiscal agent of the holders of the bonds issued under the Resolution of 1998.

(2) The four cents (4¢) of the tax on gas oil or diesel oil established in Section 3020.06 shall be covered into a special deposit in favor of the Highways and Transportation Authority as provided in subsection (a)(1) of this Section. The Department of Transportation and Public Works and the Highways and Transportation Authority, in conjunction with and with the advice of the Government Development Bank for Puerto Rico, are hereby authorized to assist the Metropolitan Bus Authority, if necessary, to restructure its debt backed in any way by the tax on gas oil or diesel oil prior to the approval of this Act. The Metropolitan Bus Authority is hereby authorized to substitute the pledge or lien securing any revenues it may receive from the tax on gas oil or diesel oil prior to the approval of this Act.

(3) The revenues collected from the tax on cigarettes established in Section 3020.05 of this Subtitle up to twenty million dollars (\$20,000,000) per fiscal year shall be covered into a special deposit account in favor of the Highways and Transportation Authority for its corporate powers and purposes.

(A) The Secretary shall transfer every month or as agreed on with the Highways and Transportation Authority, the amounts covered into such special deposit account, deducting therefrom any amounts reimbursed in accordance with the provisions of Section 3030.18 of this Subtitle.

(B) The Secretary shall pay such twenty million dollars (\$20,000,000) every fiscal year from the excise tax on cigarettes established in Section 3020.05 of this Subtitle in monthly contributions of up to two million five hundred thousand dollars (\$2,500,000). If during any month of the fiscal year the revenues from the said excise tax do not suffice to make the two million five hundred thousand dollar (\$2,500,000) payment provided herein, the Secretary shall cover such deficiency using any excess of the two million five hundred thousand dollars (\$2,500,000) revenues collected on account of such excise tax on previous or subsequent months of the same fiscal year.

(C) The Highways and Transportation Authority is hereby authorized to pledge or encumber the proceeds from the excise tax on cigarettes established in Section 3020.05 for the payment of the principal of and interest on any bonds or other obligation or for any other lawful purpose of the Authority. Such pledge or encumbrance shall be subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico. The proceeds from such taxes shall be used solely for the payment of the interest on and amortization of the public debt, as provided in Section 8 of Article VI of the Constitution of the Government of Puerto Rico, insofar as the other available resources referred to in said Section do not suffice to attain such purposes. Otherwise, the proceeds from said tax, in the necessary amount, shall be used solely for the payment of principal of and interest on the bonds and other obligations of the Authority and to meet any stipulation agreed on by the Authority to the holders of its bonds and other obligations.

(4) The revenues collected from the tax on cigarettes established in Section 3020.05 of this Subtitle up to ten million dollars (\$10,000,000) per fiscal year shall be covered into a special deposit account in favor of the Metropolitan Bus Authority for its corporate powers and purposes. The ten million dollars (\$10,000,000) per fiscal year to be covered into the special deposit account shall be the second priority and contingent on the deposit of twenty million dollars (20,000,000) from the revenues collected from the tax on cigarettes established in Section 3020.05 of this Subtitle into the special deposit account in favor of the Highways and Transportation Authority as provided in subsection (a)(30) of this Section.

(A) The Secretary shall transfer every month or as agreed with the Metropolitan Bus Authority, the amounts covered into such special deposit account, deducting



therefrom any amounts reimbursed in accordance with the provisions of Section 3030.18 of this Subtitle.

(B) The Secretary shall pay such ten million dollars (\$10,000,000) every fiscal year from the excise tax on cigarettes established in Section 3020.05 of this Subtitle in monthly contributions of up to eight hundred thousand dollars (\$800,000). If during any month of the fiscal year the revenues from the said excise tax are not sufficient to make the eight hundred thousand dollar (\$800,000) monthly payment provided herein, the Secretary shall cover such deficiency using any excess of the eight hundred thousand dollars (\$800,000) revenues collected on account of such excise tax on previous or subsequent months of the same fiscal year.

(C) The Metropolitan Bus Authority is hereby authorized to pledge or encumber the proceeds from the excise tax on cigarettes established in Section 3020.05 for the payment of the principal of and interest on any bonds or other obligation or for any other lawful purpose of the Metropolitan Bus Authority. Such pledge or encumbrance shall be subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico. The proceeds from such taxes shall be used solely for the payment of the interest on and amortization of the public debt, as provided in Section 8 of Article VI of the Constitution of Puerto Rico, insofar as the other available resources referred to in said Section do not suffice to attain such purposes. Otherwise, the proceeds from said tax, in the necessary amount, shall be used solely for the payment of principal of and interest on the bonds and other obligations of the Metropolitan Bus Authority and to meet any stipulation agreed on by the Metropolitan Bus Authority to the holders of its bonds and other obligations.

(5) As of the approval of the new tax system of Puerto Rico, the proceeds from the tax on cigarettes established in Section 3020.05 of this Subtitle up to thirty six million dollars (\$36,000,000) per fiscal year shall be covered into a special deposit in favor of the Puerto Rico Integrated Transportation Authority for its corporate powers and purposes. The thirty six million dollars (\$36,000,000) per fiscal year to be covered into the special deposit in favor of the Puerto Rico Integrated Transportation Authority shall be the third priority and contingent on the deposit of twenty million dollars (\$20,000,000) from the revenues collected from the tax on cigarettes established in Section 3020.05 of this Subtitle into the special deposit in favor of the Highway and Transportation Authority as provided in paragraph (3) of this subsection, and on the deposit of the ten million dollars (\$10,000,000) of the revenues collected from the tax on cigarettes imposed under Section 3020.05 of this Subtitle covered into the special deposit in favor of the Metropolitan Bus Authority, as provided in paragraph (4) of this subsection.

(A) The Secretary shall transfer every month or as agreed with the Puerto Rico Integrated Transportation Authority, the amounts covered into such special deposit account, deducting therefrom any amounts reimbursed in accordance with the provisions of Section 3030.18 of this Subtitle.

(B) The Secretary shall pay such thirty six million dollars (\$36,000,000) every Fiscal Year from the excise tax on cigarettes established in Section 3020.05 of this Subtitle in monthly contributions of up three million dollars (\$3,000,000). If during any month of the fiscal year the revenues from the said excise tax are insufficient to make the three million dollar (\$3,000,000)-monthly payment provided herein, the Secretary shall make up such deficiency using any excess of the three million dollars (\$3,000,000) revenues collected on account of such excise tax on previous or subsequent months of the same Fiscal Year.

(C) The transfer to the Puerto Rico Integrated Transportation Authority of the revenues derived from said excise tax shall be subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico. The revenues derived from such taxes shall be used solely for the payment of the interest on and amortization of the public debt, as provided in Section 8 of Article VI of the Constitution of Puerto Rico, insofar as the other available resources referred to in said Section are insufficient to attain such purposes. If the Commonwealth of Puerto Rico uses any amount of the revenues collected from the tax on cigarettes fixed in Section 3020.05 for the payment of interest on and the amortization of the public debt as provided in Section 8 of Article VI of the Constitution, the amounts used by the Commonwealth of Puerto Rico for the payment of interest on and the amortization of the public debt shall be reimbursed to the Puerto Rico Integrated Transportation Authority from the revenues collected by the Commonwealth of Puerto Rico in the following fiscal year or, if such reimbursement is not possible in the following Fiscal Year, in subsequent fiscal years, except those revenues that have been pledged to meet any obligation. The revenues derived from such taxes that are to be used as provided in this Section to reimburse the Puerto Rico Integrated Transportation Authority any amount used by the Commonwealth of Puerto Rico for the payment of interest on and the amortization of the public debt, shall not be covered into the General Fund of the Government of the Government of Puerto Rico when collected, but rather transferred to the Puerto Rico Integrated Transportation Authority and, subject to the provisions of Section 8 of Article VI of the Constitution of Puerto Rico, shall be used to reimburse said amounts to the Puerto Rico Integrated Transportation Authority.

(D) Notwithstanding any other provision to the contrary, the Puerto Rico Integrated Transportation Authority shall transfer any amount corresponding to the tax collected by virtue of Section 3020.05 to pay any debt or obligation of the Infrastructure Financing Authority backed by the taxes collected by virtue of Section 3020.07A, insofar as the revenues from said taxes are insufficient to repay such debts or obligations and the documents related to said debt or obligation of the Infrastructure Financing Authority so requires.

The Secretary shall transfer from time to time, as agreed on with the Authority, the amounts covered into the special deposit, deducting therefrom the reimbursable amounts in accordance with the provisions of Sections 3030.19 and 3030.20 of this Subtitle.